STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES STATE PIPELINE COORDINATOR'S OFFICE

411 West 4th Avenue, Suite 2 Anchorage, Alaska 99501-2343

PUBLIC NOTICE

ANCHOR POINT ENERGY, LLC RIGHT-OF-WAY LEASE APPLICATION COMMISSIONER'S ANALYSIS AND PROPOSED DECISION and PUBLIC HEARING NOTICE

The Commissioner of the Department of Natural Resources (DNR) received an application, dated February 18, 2010, for a pipeline right-of-way lease under Alaska Statute (AS) 38.35 (Right-of-Way Leasing Act) from Anchor Point Energy, LLC for the proposed North Fork Pipeline. The public notice of the application was published in accordance with AS 38.35.070. The Commissioner has completed his Analysis and Proposed Decision. The public is invited to comment on Anchor Point Energy, LLC's right-of-way lease application and on the Commissioner's Analysis and Proposed Decision, which proposes that the Anchor Point Energy, LLC is fit, willing, and able to construct and operate a pipeline in a manner that will be required by present and future public interest (AS 38.35.100).

The proposed North Fork Pipeline will be buried along its entire length, which will be 7.4 miles, of which approximately 6.6 miles of the proposed pipeline right-of-way will be located on lands owned or administered by the State of Alaska. The following is a general description of the state lands that are requested for the pipeline right-of-way lease:

Seward Meridian, Alaska

Township 4 South, Range 14 West, Sections 26, 27, 31, 32, 33, 34

Township 4 South, Range 15 West, Sections 34, 35, 36

Township 5 South, Range 14 West, Sections 6

Township 5 South, Range 15 West, Sections 1, 2, 3

Anchor Point Energy, LLC proposes to construct a buried pipeline to transport natural gas. The proposed pipeline will extend from the North Fork Unit production pad located at the east end of Wagon Road and will continue to the pipeline's terminus point located in Anchor Point. The proposed pipeline project will be comprised of two 4-inch diameter carbon fiber (FibersparTM) pipes. Construction is scheduled to begin in September 2010. Anchor Point Energy, LLC has requested a 50-foot wide right-of-way for construction of the pipeline, which would be reduced to a 20-foot wide operating right-of-way width.

The public may obtain printed copies of the Commissioner's Analysis and Proposed Decision and associated documents at cost from the State Pipeline Coordinator's Office:

State Pipeline Coordinator's Office 411 West 4th Avenue, Suite 2 Anchorage, AK 99501-2343 (907) 257-1300

The Commissioner's Analysis and Proposed Decision and associated documents will be available for download in Adobe PDF format at the State Pipeline Coordinator's website located at: http://www.jpo.doi.gov

Copies will also be available for viewing at the following locations:

Anchor Point Public Library
Kasilof Public Library
Ninilchik Community Library
Soldotna Public Library
Soldotna Public Library

For a comment to be considered as part of the case file record it must be submitted in writing, before 5:00 PM on July 6, 2010, to the State of Alaska, Department of Natural Resources, State Pipeline Coordinator's Office via letter or email at:

ATTN: Anchor Point Energy, LLC Public Comment State Pipeline Coordinator's Office 411 West 4th Avenue, Suite 2 Anchorage, AK 99501-2343

Email: SPCO.Records@alaska.gov

Notice of Public Hearing

DNR will hold a Public Hearing in Anchor Point on June 29th, 2010 at the Anchor River Inn. The hearing will be conducted from 6:00 PM to 9:00 PM. DNR will accept oral public comments during the hearing. The oral comments received during the hearing will be considered as part of the case file. The Anchor River Inn is located at:

34358 Old Sterling Highway Anchor Point, AK 99556 (907)235-8531

The State of Alaska, Department of Natural Resources, State Pipeline Coordinator's Office complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, or special modifications to participate in this review may call (907) 271-5070 or 269-8411 TTY/TDD. Please provide sufficient notice in order for the Department to accommodate your needs.

The State Pipeline Coordinator's Office reserves the right to waive technical defects in this publication. Please contact Jeff Bruno at (907) 257-1333 for any questions you may have.

/s/ Frederick M. Thompson State Pipeline Coordinator